

1/27/03
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**TOWN OF ACTON
INTERDEPARTMENTAL COMMUNICATION
TOWN MANAGER'S OFFICE**

DATE: January 24, 2003

TO: Board of Selectmen

FROM: Don P. Johnson

SUBJECT: FY04 Budget Scenarios

Attached is a copy of a revised budget proposal containing both A and B Budget scenarios. Staff has met with Selectmen Ashton and Foster on several occasions since the Board's last meeting and we believe these proposed budgets fully comply with the directives of the Board.

Under the "Comments" columns there are several notations as to changes that have been incorporated into the budget lines as presented. In particular, I wish to bring the following points to the Board's attention:

A-BUDGET:

1. The revised A-Budget reduces the Municipal manpower by 3.75 FTEs, makes appropriate adjustments to fringe benefits and provides for Unemployment Compensation where appropriate.
2. In consultation with Selectmen Ashton and Foster, we determined to forego the Fire Truck in both the A and B-Budgets yet again, in lieu of making a more appropriate appropriation for Snow and Ice. The Board may wish to consider whether this is an acceptable adjustment.
3. In consideration of not replacing the Fire Truck in the A-Budget, we have added funding to support equipment repair and we have included replacement of a third cruiser in FY04 in recognition of the probable inability to fund vehicle replacements in the FY05 and FY06 A-Budgets.

B-BUDGET:

1. The revised B-Budget reduces Municipal manpower by an additional 7.33 FTEs for a total reduction of 11.08 FTEs and makes commensurate changes in fringes and Unemployment.
2. Police Cruiser replacement is totally eliminated in the B-Budget.
3. The Fincom Reserve Fund is eliminated in the B-Budget.
4. Plowing of Private Ways is eliminated in the B-Budget.

Town Budget Analysis						
1/22/2003						
	FY03	FY04	Pct.		FY04	Pct.
		A Budget	Change	A - Budget Comments -- changes from the December Budget	B Budget	Change
						A - Budget Comments -- changes from the A Budget
BOS Salaries	\$ 3,350	\$ 5	-99.9%	Reduced BOS Salaries to \$1 per year/person	\$ 5	-99.9%
Other Board Salaries	\$ 3,450	\$ 3,450	0.0%	Level Funded Boards of Health, Assessors, and Elections	\$ 3,450	0.0%
Salaries - Professional	\$ 2,084,564	\$ 2,199,215	5.5%		\$ 2,199,215	5.5%
Salaries - Clerical	\$ 655,157	\$ 691,191	5.5%		\$ 678,191	3.5%
						Eliminate .33 FTE Town Hall
Salaries - Other non-exempt	\$ 4,487,461	\$ 4,644,271	3.5%	Eliminate 1 FTE Highway, .25 FTE Town Hall, 1 FTE Memorial Lib.	\$ 4,514,271	0.6%
Salaries - OT	\$ 1,037,220	\$ 977,220	-5.8%	Eliminate .75 FTE Fire and .75 FTE Police	\$ 827,220	-20.2%
Fringes	\$ 452,385	\$ 515,795	14.0%	Accommodates the EMT stipend contractual increase	\$ 515,795	14.0%
HI	\$ 866,940	\$ 1,317,918	52.0%	Reduced by 8,500 for FTE reductions	\$ 1,309,418	51.0%
Life Ins	\$ 8,000	\$ 8,200	2.5%		\$ 8,200	2.5%
Unemployment	\$ 10,000	\$ 40,250	302.5%	Increased by \$30,000 for FTE reductions	\$ 65,250	552.5%
WC	\$ 102,000	\$ 107,100	5.0%		\$ 107,100	5.0%
Payroll taxes	\$ 87,000	\$ 95,700	10.0%		\$ 95,700	10.0%
Pension	\$ 1,068,635	\$ 1,419,203	32.8%	Reduced to the revised # of the Middlesex Retirement System	\$ 1,419,203	32.8%
Allocation of Benefits	\$ (85,000)	\$ (87,975)	3.5%		\$ (87,975)	3.5%
Snow/Ice	\$ 217,840	\$ 400,000	83.6%	Increased Snow and Ice to 3 yr avg.	\$ 400,000	83.6%
Infrastructure maintenance	\$ 1,027,360	\$ 728,728	-29.1%		\$ 678,728	-33.9%
Equipmt main/rental	\$ 366,285	\$ 415,442	13.4%	Increased Budget by \$40 K for non-replacement of vehicles	\$ 415,442	13.4%
Waste removal	\$ 50,000	\$ 52,000	4.0%	Eliminated extended hours of operations	\$ 52,000	4.0%
Cruisers	\$ 83,850	\$ 99,000	18.1%	Replaces 3 cruisers	\$ -	-100.0%
Public celebr.	\$ 12,600	\$ 1,000	-92.1%	Eliminated 4th of July Festivities	\$ 1,000	-92.1%
Veteran's benefits	\$ 10,850	\$ 5,000	-53.9%	Reduced Expectations	\$ 5,000	-53.9%
Services	\$ 505,260	\$ 505,260	0.0%	Level Funded at FY '03 Levels	\$ 495,260	-2.0%
Supplies	\$ 232,717	\$ 232,717	0.0%	Level Funded at FY '03 Levels	\$ 232,717	0.0%
Book/period.	\$ 110,850	\$ 108,176	-2.4%	Reduce to reflect FTE reduction	\$ 99,176	-10.5%
Legal	\$ 400,000	\$ 420,000	5.0%		\$ 420,000	5.0%
Misc.	\$ 25,000	\$ 25,000	0.0%	Level Funded at FY '03 Levels	\$ -	-100.0%
Insurance	\$ 306,500	\$ 337,150	10.0%		\$ 337,150	10.0%
Utilities	\$ 368,133	\$ 385,500	4.7%		\$ 373,500	1.5%
Gas/diesel	\$ 112,600	\$ 118,230	5.0%		\$ 118,230	5.0%
Recreation allocation	\$ -	\$ (40,000)		Allocation of general budget expenses related to recreation to the Recreation Revolving Account	\$ (50,000)	
Total Oper. Budget	\$ 14,611,007	\$ 15,724,746	7.6%		\$ 15,233,246	4.3%
Teacher pay deferral	\$ 43,116	\$ 43,116	0.0%		\$ 43,116	0.0%
Debt	\$ 1,235,264	\$ 2,747,153	122.4%		\$ 2,747,153	122.4%
NESWC	\$ 567,000	\$ 367,000	-35.3%		\$ 310,000	-45.3%
AB Cultural	\$ 5,000	\$ 1,000	-80.0%		\$ 1,000	-80.0%
Plowing of Private Ways	\$ 12,500	\$ 12,000	-4.0%		\$ -	-100.0%
Capital	\$ 472,000	\$ 146,000	-69.1%		\$ 146,000	-69.1%
TOTAL	\$ 16,945,887	\$ 19,041,015	12.4%		\$ 18,480,515	9.1%
TOTAL Excl. DEBT	\$ 15,710,623	\$ 16,293,862	3.7%		\$ 15,733,362	0.1%
NEW GOAL		\$ 19,041,000			\$ 18,481,000	
Total FTE Reductions				3.75 FTEs		11.08 FTEs (7.33 in B-budget)
				Total B-budget Cuts	\$ 560,000	